

What is Unclaimed Property?

Unclaimed property is money or intangible property owed to an individual or business. Property is considered unclaimed after it is held for an extended period of time with no owner contact and a “good faith” effort has been made to locate the owner. Abandoned property is turned over to the Arizona Department of Revenue from many sources, including banks, credit unions, corporations, utilities, insurance companies, governmental entities and retailers throughout the United States.

Examples of unclaimed property include:

- * Deposits at financial institutions
- * Uncashed checks
- * Wages
- * Patient refunds
- * Travelers’ checks
- * Account credits
- * Utility deposits
- * Insurance proceeds
- * Stocks
- * Bonds
- * Dividend payments
- * Delinquent safe deposit box contents

Uniform Unclaimed Property Act 1995

The Arizona Unclaimed Property Act protects unclaimed property until it is returned to its rightful owners or their heirs. The Department of Revenue acts as custodian of the property and administers a program to locate the owners. Once reported to the Department, unclaimed property is available for refund to the owner or their heirs indefinitely.

Arizona State law requires businesses and other organizations to review their records each year to determine whether they hold any funds, securities or other property that have remained unclaimed for the required abandonment period. Holders file an annual report and transfer the property to the state. The holding period before property is considered unclaimed varies by type of property.

Businesses must report unclaimed property to the state of Arizona if the owner's:

1. Last known address is the state of Arizona.
2. Address is unknown or the owner is unidentified and Arizona is the state of corporate domicile.
3. Property is not reportable to another state and the property transaction arose in Arizona.

Revenue’s Role

The department administers unclaimed property as a consumer protection program. The program has two main purposes:

1. To safeguard and return unclaimed property to the rightful owners or their legal heirs.
2. To place any "windfall from" unknown or unidentified unclaimed property with the state to benefit the citizens of Arizona.

The public may search our database for reported owner names and addresses at www.missingmoney.com.

Important Points

- With the exceptions of Escheated Estates and Storage Facility Sale Proceeds, there is no time limit to claim reported property
- Owners are not charged a fee to reclaim their property
- Interest-bearing accounts earn interest as reported for up to ten years
- Holders are covered against liability on claims for reported property

Holder Education & Audit Program

We provide reporting and compliance education to all entities through:

- * self reporting guides which include common industry and property information
- * on-site consultation visits
- * holder education workshops

We also perform formal audits to verify that companies are complying with the law. Interest charges and penalties apply if a company fails to report timely and deliver unclaimed property.

For questions or voluntary compliance participation call (602) 716-6034.

Finding Owners

Each year, we make significant efforts to locate the owners of unclaimed property. Our efforts include:

- * Locating owners using advanced search tools
- * Advertising reported owners with \$50 or more in newspaper ads
- * Issuing news releases about unclaimed property to television and radio stations
- * Maintaining a searchable online owner database at www.missingmoney.com
- * Accepting local inquiries at **602-364-0380** or toll-free at **1-877-492-9957**.

Who Must Report

The following are required to report:

1. Banking and Financial Organizations including:
 - * State or federally chartered banks
 - * Trust companies
 - * Savings banks
 - * Private bankers
 - * Savings and loan associations
 - * Credit unions and investment companies
2. Business Associations wherever located, domiciled or incorporated, such as:
 - * Corporations
 - * Joint stock companies
 - * Business trusts
 - * Partnerships
 - * Cooperatives or other business associations
 - * Insurance companies
3. Utilities owned or operated for public use for services such as:
 - * Communications
 - * Electricity
 - * Gas
 - * Water
 - * Steam
 - * Solid waste collection
4. Other Legal Entities including:
 - * State, county and city governments

- * Public corporations
- * Political subdivisions, Public authorities
- * Nonprofit organizations
- * Estates, Trusts, or other legal or commercial entities

Businesses located in Arizona or another state; need to report any unclaimed property they hold that is due an owner with a last known address in Arizona. All holders are responsible for filing reports on behalf of their branches, divisions or other affiliated entities.

What to Report

The NAUPA Property Type Code Table in the *Unclaimed Property Reporting Booklet* provides examples of the types of property that are reportable as unclaimed property and their respective dormancy periods. Report all abandoned property that you owe to an Arizona resident or corporation. Arizona corporations should report unknown owners, items with no address, and property where the last known address of the owner is in a foreign country to the state of Arizona. For properties where the information is available, report abandoned property to the state of the owner’s last known address. Traveler's checks and money orders are reportable to the state where they were purchased.

When to File

ALL HOLDERS

Bar coded report forms will be automatically mailed to all active holders each year. Reports are due from all holders (other than Life Insurance Companies) before November 1. Life Insurance reports are due before May 1 each year.

For all holders (other than Life Insurance Companies), you must include all property that has remained unclaimed for the required dormancy period, as of the preceding June 30 of the current reporting year. Life Insurance companies must include all property meeting the requisite abandonment period as of the preceding December 31.

NEGATIVE (ZERO) REPORTS

Although not required, holders with nothing to report should file a *negative (zero) report*. This can be done using either the bar coded report form or the blank form included in the reporting booklet (downloadable from the Unclaimed Property link at www.azdor.gov). Completed negative reports may be faxed to (602) 716-7997.

EARLY REPORTING

A holder may call to request approval to report and deliver property early. Before an early report will be allowed, a holder must have held the property at least 90 days and made a good faith attempt to locate the lost owners.

REMITTANCE AT TIME OF REPORT

Remit payment of all reported property, except safe deposit box contents, with the report before November 1.

SECURITIES AND SAFE DEPOSIT BOX CONTENTS REPORTS

There are special reporting instructions for these property types. Please refer to our reporting booklet at www.azdor.gov for details.

Common Terms

The following definitions are helpful when reporting unclaimed property to the state of Arizona. These definitions are an aid and not a substitute for legal advice.

ABANDONED PROPERTY

Tangible or intangible property unpaid or undelivered to the rightful owner for the time period specified by law. Also referred to as unclaimed property.

ACTIVITY

Action taken on property by the owner including making a deposit or withdrawal, or a written memorandum to the holder. It does not include automatic transfers, payments, or charges.

AGGREGATE

A group of related property type items reported as a single line item. The owner names and addresses are not included with the report.

Property valued less than \$50 may be aggregated when reporting to Arizona, but for claims payment purposes, we would like the information if it is available.

CLAIMANT

A person believing they are legally entitled to abandoned property. The claimant is not always the actual “owner” of the property. A claimant could be an heir, or someone who has a legal right to claim the property on the owner’s behalf (i.e., Power of Attorney).

CUSTODIAN

A "custodian" holds property for the benefit and care of the rightful owner until the property can be delivered to the rightful owner. Most states’ laws make the abandoned property division a custodian of the abandoned property remitted to the state. (Compare to “escheat.”)

DEPARTMENT

Arizona Department of Revenue.

DORMANT OR INACTIVE PERIOD

The time period during which an owner of property does not take action on his or her property.

DUE DILIGENCE

The degree of effort a holder must use to find the rightful owner of abandoned property before delivering the property to the state. In Arizona, a holder must perform their due diligence requirement *at least 120 days* prior to reporting and remitting the funds to the State.

ESCHEAT

A transfer of property that makes the state the legal owner. The state of Arizona does not escheat abandoned property but holds it in trust for the owner in perpetuity.

HOLDER

The entity that controls abandoned property until transferred to the owner or the state.

HOLDER REPORTING NUMBER

The Unclaimed Property Section assigns this number to a holder. If you have not reported in the past, your holder number is assigned when we receive your first report. Once assigned,

please use this number in all correspondence with the Unclaimed Property Section.

NEGATIVE REPORT

An unclaimed property report filed when no property was abandoned during the current reporting period. Also referred to as a "zero" report.

OWNER

The person to which the property originally belonged as reported by the holder of the property. Report the payee as the owner for money orders and cashier checks.

INTANGIBLE PROPERTY

Property that represents or is negotiable to cash. Items such as a stock certificate represent ownership interest in a company or a savings bond represents an obligation to pay a certain amount. Both are convertible to cash and represent cash values.

TANGIBLE PERSONAL PROPERTY

Personal property that is represented by itself. Examples include a diamond ring and a silver coin.

REAL PROPERTY

This is real estate and fixtures. Unclaimed Property does not cover abandoned land, houses, boats, or automobiles. In the case of abandoned rental storage property or trustee sales, any unclaimed sale proceeds are reportable as unclaimed property.

For Additional Information or to Request Reporting Forms, Call:

(602) 716-6031

Email:

azdor.unclaimedproperty@azdor.gov

Write to:

Arizona Department of Revenue
Unclaimed Property
PO Box 29026
Phoenix AZ 85038-9026

Internet Address:

www.azdor.gov

This document is available in an alternative format upon request.

UNCLAIMED PROPERTY GUIDE

General Information

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